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STATE FOR WHA/CCA AND WHA/CEN

E.O. 12958: DECL: 12/05/2017
TAGS: [ETRD](#) [ETTC](#) [PREL](#) [CU](#) [NU](#)
SUBJECT: NICARAGUA AND SUSPENSION OF TITLE III OF THE
LIBERTAD ACT

REF: SECSTATE 158768

Classified By: CDA Richard Sanders for reasons 1.4 b&d.

11. (C) Summary: Nicaragua under President Ortega, in contrast to the past three administrations, is establishing closer relations with Cuba. We expect Nicaragua to vote more consistently with Cuba. The trading relationship between the two countries has increased, but continues to be insignificant. No high-level Cubans have visited Nicaragua in the last six months. 140 Cuban doctors are now working in Nicaragua. Cuba provides Nicaraguans with scholarships and medical treatment in Havana. While we expect the Cuba-Nicaragua relationship to strengthen over the next few years, what shape it will take remains unclear. At this time, post believes that failure to waive Title III of the Libertad Act for Nicaragua would allow Ortega to trumpet U.S. "hostility" toward his new government. Post recommends another waiver for Nicaragua. End Summary.

Bilateral Relationship

12. (C) The Cuba-Nicaragua relationship has changed and intensified since President Ortega took office in January. The head of the Cuban mission in Nicaragua has been upgraded from Charge d'Affaires to Ambassador, Nicaragua has sent an ambassador to Cuba, and Cuba sent a successor to its recently departed Defense Attache. We now expect Nicaragua to vote in international fora more consistently with Cuba than in the recent past. During the previous three governments, the GON generally voted with the United States on Cuba-related matters and occasionally abstained. The notable exception was when Nicaragua joined international calls for an end to the U.S. embargo of Cuba -- reflecting a disagreement over tactics. Neither President Ortega nor any member of his cabinet has made any statement against Castro or in support of the democratization of Cuba.

Trade and Investment

13. (U) Nicaraguan-Cuban bilateral trade declined steadily from 1991 to 2005, but has increased in the last two years. Two-way trade between Nicaragua and Cuba totaled USD 550,000 in 2005, down from USD 800,000 in 2003. By the end of September 2007, two-way trade had reached USD 4.4 million, mostly the result of Nicaragua's purchase in March of USD 3.7 million of energy saving light bulbs for distribution to pensioners and the poor. Nicaragua's investment promotion agency, ProNicaragua, reports no significant Cuban investment in Nicaragua since the 1990s. On January 11, Nicaragua joined the Bolivarian Alternative for Latin America (ALBA), a trade and cooperation agreement, of which Venezuela, Cuba,

and Bolivia are members.

Visits

¶4. (C) No high-level Cubans have visited Nicaragua in the last six months. Ortega visited Cuba on June 16 during the first leg of his trip to Venezuela, Libya, Iran and Italy. There are rumors that Ortega has visited Cuba on at least two occasions for medical treatment, but these cannot be confirmed.

Training and Scholarships

¶5. (C) Post has seen an increase in Cuban training and education assistance, as well as more personnel exchanges with Nicaragua. The Nicaraguan military has traditionally used Cuban trainers and Cuban facilities for both military and civilian educations. Various sources report that the Nicaraguan military has been moving away from Cuban training as they consider it ineffective. The military is focusing its training and assistance efforts on European countries, notably Spain, as well as with the United States. Post knows of at least 17 Cuban teachers currently working on the Atlantic Coast of Nicaragua.

¶6. (C) Cuban medical assistance is the most extensive example of this increased relationship. There are 72 Cuban medical personnel in the Northern Atlantic coast region, all of whom stayed through hurricane Felix. An additional 70 Cuban medical personnel augmented this contingent after the hurricane to assist with post-recovery operations. Cuban doctors have also been providing long-term medical care on the outskirts of Managua and rural areas around the country.

¶7. (C) For years, Cuba has offered full scholarships to Nicaraguan students to attend Cuban universities. According to press reports, over 977 Nicaraguan students are currently in Cuba, mostly studying medicine. Further, under a long-standing agreement, any member of the Nicaraguan military can receive free medical treatment in Havana. Since January, over 500 Nicaraguans have been transported to Venezuela and Cuba for surgery, primarily for cataracts, paid for by Venezuela.

Comment

¶8. (C) Both Cuba and Nicaragua have expressed a desire to continue a steady increase in their bilateral relationship. So far, this desire has manifested itself most prominently in the health sector. Post believes that failure to waive Title III of the Libertad Act for Nicaragua would allow Ortega to trumpet U.S. "hostility" toward his new government. Failure to waive Title III would hand hard-core Sandinistas the argument that Cuba and Venezuela are more reliable, generous allies for Nicaragua. Post recommends a waiver of Title III of the Libertad Act for Nicaragua.

SANDERS